



Request for City Council Committee Action From the Office of the City Coordinator

Date October 23, 2002

To Ways & Means/ Budget Committee

Submitted by Kim W. Havey, Director, Minneapolis Empowerment Zone, 673-5415 *K.W. Havey*

Approved by John Moir, City Coordinator *John Moir*

Subject Authorization to transfer \$500,000 in federal Empowerment Zone funds to the Minneapolis Community Development Agency (MCDA) for the Multi-Family Rental and Cooperative Housing Program Request for Proposals (RFP).

Presenters in Committee Kim W. Havey

Recommendation

- (1) Decrease the appropriation for 0300-840-8460 by \$500,000;
- (2) Increase the appropriation for Inter-fund transfer agency 0300-127-FEZT-9001 in the amount of \$500,000 for the MCDA Multi-Family Rental and Cooperative Housing Program RFP;
- (3) Amend the 2002 MCDA Appropriation Resolution by increasing the appropriation in Fund FEZ by \$500,000; and
- (4) Increase the MCDA Revenue Budget in Fund FEZ (3210-08 Federal Funds – HUD Grants) by \$500,000.

Financial Impact

☒ No financial impact or Action is within current budget.

- ☐ Action requires an appropriation increase to the Capital Budget
- ☐ Action requires an appropriation increase to the Operating Budget
- ☐ Action provides increased revenue for appropriation increase
- ☐ Action requires use of contingency or reserves
- ☐ Other financial impact (Explain):

☐ Request provided to the Budget Office when provided to the Committee Coordinator

Background/Supporting Information

Little Earth of United Tribes Housing Corporation (LEUTHC) has requested \$500,000 from the Empowerment Zone (EZ) to implement their comprehensive plan to address physical improvement needs of the community. EZ funding has been requested for phase 3, which includes the re-location of the current maintenance facility, creation of a community center, and renovation of 42 townhouses and 14 apartments. Landscaping is also included in the plan.

On September 19, 2002 the EZ Governance Board approved \$500,000 in federal EZ funds to be used for the Minneapolis Community Development Agency (MCDA) Multi-Family Rental and Cooperative Housing Request for Proposals (RFP). The intended purpose of the commitment is to fund the LEUTHC request to the EZ through an approved RFP process, subject to EZ Governance Board vote. The primary reasons were:

1. To act consistently with the City procurement process by making funding decisions over \$50,000 through an RFP process.
2. To coordinate funding - LEUTHC has requested funding from the U.S. Department of Housing and Urban Development (HUD), Minnesota Housing Finance Agency (MHFA), MCDA, and EZ. Potential funders are coordinating a review of the funding requests, with the MHFA taking the lead role. By partnering with the MCDA a coordinated and timely funding decision can be made.